



HIAWATHA
COMMUNICATIONS
INCORPORATED

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March 7, 2014

Ms. Marlene Dortch
Secretary
Federal Communications Commission

Subject: Letter of Intent - FCC Rural Broadband Experiments

Dear Ms. Dortch:

Hiawatha Communications Inc. (Hiawatha) is submitting this letter to show our interest in the FCC rural broadband experiments. Our wholly-owned subsidiaries are the local exchange carriers and ETCs in numerous rural areas of the Upper Peninsula of Michigan. We have been providing services to the area since 1896.

Although our region is very rural and 'natural', we are committed to provide service exceeding the desires of our subscribers, and exceeding the services available in some of the urban and more wealthy areas of the State. We have deployed optical fiber across most of the Upper Peninsula, and in cooperation with our neighboring rural carriers and with the Peninsula Fiber Network (PFN), we are expanding our services capabilities to other parts of the region and State. We are locals living in this area. We definitely have 'skin in the game' and want to succeed for many reasons. We see ourselves as the only real option for our neighbors, and our communities.

Service Areas

Hiawatha proposes to provide high speed broadband to a number of underserved and unserved areas near our existing networks. The applicable census tracts are listed in a table at the end of this letter. These areas are predominantly economically disadvantaged, and our services can make a real difference in improving community services, and lives.

Based on the information included with the FCC eligible tract information, the proposed areas includes 11,659 high cost and extremely high cost locations.

The areas include several businesses that could provide more and better higher-paying jobs once high speed broadband is available.

Critical Community Facilities

In addition to the general businesses and residents of the areas, our network will offer service to:

- Local schools
- Public libraries
- Multiple government offices
- Rural health clinics

Service Offerings

Hiawatha provides our subscribers numerous types of services, including broadband data and traditional telephone. We offer many packages and customized offerings. We will offer the same services to the new areas as we now do throughout our existing service areas. This includes traditional voice services plus tiers of high speed broadband ranging from a basic package starting at 6 Mbs Internet up to 1Gig Internet.

Technology

Hiawatha will use Fiber to the Premise (FTTP) for all last mile connections to homes, businesses, and CCFs. We are currently offering some FTTP and some xDSL, optimized to use the existing facilities to their fullest extent. We plan fiber everywhere, and just need a little assistance to speed up the process in the proposed areas.

For our new deployments and this planned network, we use FTTP in a direct optical Ethernet architecture. We can cost-effectively meet the needs of almost any site and service, and are prepared to upgrade in the future. Our current central office and transport facilities have capacity to spare via our existing fiber backbones and involvement with PFN.

The communities, and the players, including government

Hiawatha has received numerous requests from citizens and community leaders in the targeted project areas to bring high speed broadband to the area. There is a great deal of interest and pent-up demand that we are eager to address. Once the network is deployed, Hiawatha plans to 'ramp up' involvement locally, potentially including additional community meetings to educate and support the residents and CCFs.

Our Team

Hiawatha Communications Inc., (which is the holding company of Hiawatha Telephone, Chippewa County Telephone, Ontonagon Telephone, and Midway Telephone), as well as PFN and neighboring ILEC Baraga Telephone, plan to leverage our existing and complementary equipment, infrastructure and services, as well as operating personnel. Additionally, we consider the municipalities and even the residents as members of our "team". We will continue to work with community members, the CCFs, and local government personnel in the project areas and in the nearby communities of interest to minimize the impact of construction activities.

Timeframe to begin, and serve

Our proposed timeline is, in a word, 'now.' Our construction season can be pretty short in the North, but we are confident we can begin the engineering and permitting requirements as soon as we are awarded funds. As we've said, we know these areas, we know the people involved, we're currently working in the general areas, and have the staff and relationships to 'get it done.' We believe we can start construction in the spring or summer of 2015, and hope to begin offering service by the late fall.

The Costs

Our high-level estimate of the cost to build out the network is \$10,000,000. This is less than the CAF Phase II amounts for these census tract areas. This leverages our own network facilities and equipment that is already in place. We will contribute the time, efforts, and skills of our existing staff, and our existing fiber optic infrastructure and equipment, to support this last mile deployment. We would prefer one-time funding for our capital costs, rather than continued funds for a period of several years.

Hiawatha is excited to extend our network and services into these new areas. We believe we are the right team to bring high speed broadband to these communities, and we appreciate the FCC's intent to spur these developments.

Sincerely,

A handwritten signature in black ink, appearing to read "William C. Tidd". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

William C. Tidd
Vice President – Chief Technical Officer

Project Area Census Tracts

County	TractID
Chippewa	26033970100
Chippewa	26033970600
Chippewa	26033970700
Chippewa	26033970800
Chippewa	26033970900
Chippewa	26033971000
Delta	26041970200
Houghton	26061001000
Iron	26071000200
Luce	26095960100
Luce	26095960200
Mackinac	26097950200
Mackinac	26097950300
Mackinac	26097950400
Ontonagon	26131970100
Ontonagon	26131970300
Schoolcraft	26153000100
Schoolcraft	26153000200